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Salton Sea Authority

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A revitalized Salton Sea could mean an infusion of jobs, increased property-tax revenues and over 80,000 new homes in the region, according to a report prepared by the Salton Sea Authority for the California Resources Agency as part of the Salton Sea Ecosystem Restoration Study the Agency is currently performing under state law. The Authority's report will be incorporated into the Agency's feasibility study that must identify a preferred alternative for Salton Sea restoration and be submitted to the state legislature by December 31, 2006.

"The construction and operation of a restored and revitalized Sea are likely to result in positive economic effects on communities immediately adjacent to the shoreline of the Sea as well as other parts of Imperial and Riverside Counties," according to Tetra Tech, the engineering firm that the Authority contracted to perform the study.

"This report confirmed what we have known all along," said Gary Wyatt, a member of the Imperial County Board of Supervisors and board president of the Salton Sea Authority. "A restored and revitalized Salton Sea will be a major economic engine for our region."

The Tetra Tech study found that, assuming an investment in the range of \$1.0 billion is made over five years on infrastructure to restore and revitalize the Sea, positive economic effects would include increased spending for wages of workers from the local area, increased profits to local material suppliers and service providers as well as increases in short- and long-term job creation.

"It is estimated that restoration of the Sea could result in incremental property taxes to support restoration with a net present value amount of approximately \$626 million," the study states. This figure represents the approximate amount of local tax-revenue bonds that that Authority could sell, as authorized under existing state law, to fund construction work.

The report goes on to project that, given the existing privately owned land base around the Sea and current zoning designations, 80,000 new residential units could to be constructed over a period of 30- to 40-years following completion of the restoration project. In making this projection, the report only considered areas around the northern shore and the Salton City area as potential locations for new development. This build-out assumption was based on the Authority's original "North Lake Only" restoration design. The Authority is in the process of developing and adopting a new conceptual preferred alternative design that will include large recreational lakes in both the north and south ends of the current Sea. The Resources Agency is also including this so-called "combined" north and south lakes design in its feasibility study.

In this new combined design, the current shoreline would be maintained at present elevations adjacent to all current and projected new residential areas around the Sea; and all existing public use areas and wildlife habitat areas would be maintained or improved. Furthermore, this design would accomplish the following:

- Reduce and stabilize the salinity of the two lakes at levels that allow for the return of a robust sport fishery and a diverse waterfowl community;
- Allow the two restored lakes to be maintained at constant surface elevations even if the inflows to the Sea dramatically increase or decrease on a year-to-year basis; and
- Improve water quality and clarity to the point where offensive odors and fish kills no longer occur and where water-contact recreational activities are once again possible.

To assess the development potential of this new combined north and south lakes design, the Authority has recently hired a planning consulting firm, Mooney Jones Stokes. This firm will perform a follow-on development build-out and local-funding assessment study based on the assumption that 10,000 to 15,000 acres of federally owned lands adjacent to the Sea will be sold to developers and rezoned for residential and commercial development. This second study will also evaluate and recommend potential zoning changes in Imperial County to allow for development around portions of the 35-square-mile recreational lake that would be created in the south end in the new combined design. (This southend lake would rank as the six largest recreational lake in California). The specific areas being evaluated for development potential in this follow-on study of the combined design, which will be completed in December 2005, are:

The privately owned and federally owned lands in the North Shore area of Riverside County, including property above the state park overlooking the north end of the Sea;

The undeveloped privately-owned and Torres Martinez lands around Mecca, Thermal, Santa Rosa and Oasis in Riverside County around the northwest corner of the Sea;

Build-out of the existing 28,000 privately-owned subdivided lots along the Highway 86 corridor from the Imperial County line to the southern boundary of Salton City;

Newly created urban areas along Highway 86 south of Salton City and north of San Felipe Creek on property currently zoned for government and agricultural use; and

The agricultural lands along Highway 86 southeast of San Felipe Creek and west of Bruchard Road, including Unit 1 of the Sonny Bono National Wildlife Refuge which would be relocated further to the east.

"The Authority's current position is that a Salton Sea ecosystem restoration project that also revitalizes the Sea as a regional recreational destination and stimulates economic development in the Coachella and Imperial Valleys can be essentially a self-financing project," said Ron Enzweiler, Authority executive director. "The recently completed Tetra Tech study on economic and recreational benefits, which we have forwarded to the Resources Agency and the State Salton Sea Advisory Committee, helps to validate this fact. We believe the follow-on Mooney Jones Stokes build-out study on the new combined north and south lakes design will show that the initial \$1.0 billion components of multi-purpose restoration/revitalization project can be built and operated by the Authority without the need for any direct state or federal appropriations."

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